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SUBJECT: SCENESETTER FOR CODEL MCCAIN'S VISIT TO VIETNAM

OVERVIEW

itself.

- 11. (SBU) Your April 6-8 visit to Vietnam comes at an opportune moment. Our bilateral relationship with Vietnam has progressed much since your last visit to Hanoi in April 2000 and is arguably at its highest point since relations were normalized in 1995. Propelled by a series of senior bilateral visits, the United States and Vietnam have deepened cooperation in areas ranging from public health and MIA issues to higher education and technical assistance designed to support Vietnam meet its WTO and Bilateral Trade Agreement obligations. The United States is Vietnam's largest export market and third largest overall trade partner, and U.S. investment in Vietnam continues to grow. Conservative voices in Vietnam's leadership remain wary of U.S. intentions, but their influence is waning as the country's young population -- the first generation in memory to live without war -- looks to the West. Strategically, Vietnam increasingly views the U.S. presence in the region as a force for stability, a perspective evident in the first-ever bilateral political-defense talks and policy planning talks in October 2008. Vietnam is also taking a more active role in multilateral diplomacy, both as a non-permanent member of the UN Security Council and as an emerging leader in ASEAN.
- 12. (SBU) Profound differences remain, however, particularly in our approach to human rights. While Vietnam has made strides in improving religious freedom -- resulting in the country being removed from the list of "Countries of Particular Concern" -- there has not been a corresponding improvement in political rights or press freedom. Suspicion over our human rights reporting and advocacy are part of the reason for the cumbersome restrictions that the GVN continues to place on our HCMC consulate operations. We have our differences too on how Vietnam approaches international issues. While taking its UNSC obligations seriously, Vietnam's non-interventionist line has caused it to align with Russia and China on issues such as Georgia and Darfur. China, understandably, remains Vietnam's strategic obsession and provides the subtext for Hanoi's "friends to all" foreign policy -- an approach that can at first seem naive, but which is firmly rooted in realpolitik.

## VIETNAM'S FOREIGN POLICY PRIORITIES

13. (SBU) Vietnam professes a "friends to all" foreign policy, guided by a non-interventionist ethic that is fundamentally pragmatic. While the overriding strategic concern remains China, Vietnam is under no illusions that it can somehow "balance" China with the United States, Russia, or Japan. Mistrust of China runs deep, fed by historical animosities and simmering resentment over what is widely viewed as a weak position on South China Sea territorial disputes. Vietnam's leadership appears to realize, however, that confrontation with China is not in the country's interest. Nor is it a position that the Party could sustain domestically: once unleashed, nationalistic sentiment, though initially directed at China, could easily turn toward the Party

- ¶4. (SBU) Instead, Vietnam seeks to maintain as cordial and stable a relationship with China as possible, while also cautiously cultivating a diverse range of bilateral friendships and enmeshing these in a framework of multilateral engagement. In this context, Vietnam's bilateral relationship with the United States enjoys pride of place; however, our relationship is but one of several, and Vietnam is wary of pushing the agenda with the United States too far, too fast, lest it antagonize China.
- 15. (SBU) Multilaterally, Vietnam puts great store in ASEAN. It has voiced support for enhancing both the association's internal capabilities and its relationships with ASEAN's dialogue partners. Similarly, Vietnam looks at a number of regional issues such as Burma and the Thai-Cambodia border disputes largely, though not exclusively, through an ASEAN lens. Thus, while Vietnam's natural impulse is not to interfere in Burma's internal affairs, Hanoi recognizes the obstacles that Rangoon's continued intransigence poses for ASEAN's credibility and relations with the West. At the UNSC, Vietnam has been professional and well-briefed, but cautious. Vietnam's UN mission has been eager to join in consensus, when possible, voting for example to support sanctions on Iran. But where there has been disagreement, Vietnam has tended to follow a non-interventionist line.

## HUMAN RIGHTS AND RELIGIOUS FREEDOM

16. (SBU) For Vietnam non-interference is not just an abstract principle, but also a reflection of narrow self-interest. Vietnam continues to have a poor record on human rights and still reacts defensively to criticism, though it has learned to be more